



Agenda Item 3B
Chairperson's Report
TSB Services and Finance Committee Charter – Action Item



Technology Services Board (TSB)
Services and Finance Committee

**Charter
Date**

December 8, 2008

**Appointing
Authority**

Teri Takai, Chairperson, TSB

**Services and
Finance
Committee**

The Chairperson of the TSB will serve as Chairperson of the Services and Finance Committee and appoints the following representatives as members:

- Chairperson of the TSB, who will serve as the Committee Chairperson
- Director, Department of Finance
- State Controller
- Secretary, Health and Human Services Agency
- Secretary, Department of Corrections and Rehabilitation
- Secretary, California Department of Food and Agriculture
- Secretary, Department of Veterans Affairs

Additional members may participate as necessary depending on the specific subject matter being discussed and membership may change based on the availability of the members.

The Services and Finance Committee, formally created by the TSB and consisting of seven members, qualifies as a “state body” under the Bagley-Keene Open Meeting Act, and is subject to mandatory notice and meeting requirements. (Government Code Section 11121[c].)

Background

The TSB’s organizing statute requires the Board to review the Department of Technology Services (DTS) budget, rates and service offerings. Section 11540 of the Government Code provides as follows:

“(b) The director shall propose for board consideration rates for department services based on a formal rate methodology approved by the board. At least 60 days before submitting proposed rates to the board, the director shall submit the proposed rates to the Department of Finance. Submittal of the rates to the Department of Finance shall be in a format and timeframe determined by the Department of Finance. The Department of Finance shall prepare a report to the board evaluating the reasonableness of the proposed rates and any significant impact the department’s rates are likely to have upon the budgets of other departments.”

	<p>Additionally, the TSB’s organizing statute requires the TSB to conduct an annual financial audit and authorizes the TSB to conduct such other audits as may be necessary or prudent. In particular, Section 11537 of the Government Code provides as follows:</p> <p style="padding-left: 40px;">“(a) The board shall engage an independent firm of certified public accountants to conduct an annual financial audit of all accounts and transactions of the department. The audit shall be conducted in accordance with Generally Accepted Government Auditing Standards. The audited financial statements shall be presented to the board, the Governor, and the Legislature not more than 120 days after the close of the fiscal year.</p> <p style="padding-left: 40px;">(b) The board may arrange for other audits as are necessary or prudent to ensure proper oversight and management of the department.”</p>
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Purpose	<p>The Services and Finance Committee has been established to make recommendations to the TSB regarding new service offerings that DTS may establish, strategic planning for services, rates for new and existing service offerings, any necessary budget authorizations to fund service development, and to oversee the annual independent financial audit of DTS.</p>
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Organization and Structure	<p>The Services and Finance Committee structure shall be organized as follows:</p> <ul style="list-style-type: none"> A. The Chairperson of the Technology Services Board will serve as the Chairperson of the Committee. B. The Committee shall meet as often as it deems necessary, but not less than twice annually. The Chairperson may call special meetings of the Committee as deemed necessary. C. A quorum shall consist of a majority plus one of the voting members of the Committee. All actions of the Committee shall be by majority vote of the members present.
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General Duties	<p>The Services and Finance Committee shall:</p> <ul style="list-style-type: none"> A. Review rates for existing DTS services. B. Make recommendations to the TSB regarding new service offerings and the rates to be charged. C. Make recommendations to the TSB regarding any necessary budget authorizations. D. Oversee the engagement of an independent firm of certified public accountants to conduct an annual financial audit of the DTS.
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	<p>E. Review and accept all audit reports and require the DTS to satisfactorily follow-up on all audit findings.</p> <p>F. Arrange for other audits as are necessary or prudent to ensure proper oversight and management of the DTS.</p>
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Approvals	TSB Services and Finance Committee: Teri Takai, Chairperson, TSB	Date: December 8, 2008
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